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C O N F I D E N T I A L ROME 002313

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E.O. 12958: DECL: 11/08/2017

TAGS: [KTFN](#) [KCRM](#) [EFIN](#) [ETTC](#) [PREL](#) [PTER](#)

SUBJECT: ITALY: FOLLOW-UP ACTION REQUEST ON ILLICIT CASH COURIERS

REF: A. SECSTATE 152088

[¶](#)B. ROME 384

Classified By: Econ Counselor William R. Meara for Reasons
1.4 (b) and (d).

[¶](#)1. (C) Summary. Italian officials are making progress on combating illicit cash couriers. The GOI has recently issued a ministerial decree to bring its own regulations on cash transactions in compliance with EU norms and is drafting a law to update enforcement provisions. Seizures of bulk cash increased in 2006 and law enforcement officials in Milan are taking the issue seriously. However, significant challenges remain, including limited resources for enforcement. Our overall relationship on money laundering and terrorist finance issues continues to be strong. End summary.

[¶](#)2. (C) On June 21, the Ministry of Finance issued a decree to reduce the legal limit of cash transactions from 12,000 Euro to 10,000. This action brought the GOI into conformity with EU regulation 1889 of 2005. Italian officials are currently drafting a new law to update regulations on currency exchange. Maria Paola Suppa in the office of the prevention of financial crimes at the Ministry of Finance told Econoff that the law will update the 1988 law governing financial transactions and will centralize enforcement at the Ministry of Finance. Suppa said they are still working on the details of the draft law and will update Econoff when the bill is final.

[¶](#)3. (C/NF) Ministry of Finance contacts have told us that the GOI takes the issue of cash couriers seriously. Suppa said there are several active investigations on individuals who have violated the law. A DEA officer in Milan was told in May that the Guardia Di Finance (Italy's financial police) is increasing scrutiny of cash couriers. According to DEA contacts, at Malpensa airport the GDF made 342 bulk currency seizures in 2006 amounting to 2,452,177 Euro, up from 254 seizures totaling 2,021,949 Euro in 2005. In 2006, Egyptian Nationals constituted the majority of arrests; followed by Chinese, Nigerians and Pakistanis. GDF officials note an increase seizures on Middle East-bound flights and report that from 2003-2006 the GDF seized 2,640,209 Euro headed to the Middle East. According to DEA Rome, their Italian counterparts are willing to pursue intelligence leads relative to bulk currency couriers and are providing intelligence from cash courier seizures in Italy to DEA for further investigation.

[¶](#)4. (C) Comment: While we obviously have serious policy differences with the Italians on issues related Iran, at the working level, cooperation on efforts to fight terror financing remains quite good. End Comment.

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